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Programme budget for the biennium 2002-2003

The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development

United Nations Verification Mission in Guatemala

Programme budget implications of draft resolution A/56/L.42

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General (A/C.5/56/26) in accordance with rule 153 of the rules of procedure of the General Assembly on the budget implications of draft resolution A/55/L.42 on the United Nations Verification Mission in Guatemala (MINUGUA).

2. The Committee recalls that the Secretary-General, in his report of 14 September 2000 (A/55/389), presented a plan for gradually scaling down MINUGUA's presence in Guatemala until operations concluded in 2003. In his latest report of 21 September 2001 (A/56/391), the Secretary-General indicated that a first reduction was made in December 2000, involving a 39 per cent cut in the Mission's budget and the reconfiguration of its presence in the country with 46 per cent fewer staff. The number of regional offices was reduced from eight to six and the subregional offices from five to four. In the case of the mobile teams, only one of the five envisaged for 2001 remained in operation, with staff reassigned into the corresponding regional office or sub-office (see paras. 29 and 30).

3. The Advisory Committee notes, however, the indication made as to the impact of the reduction on the Mission's territorial deployment, which has affected its operational capacity, forcing it to set priorities for its activities, particularly as regards verification and institution building. The Secretary-General, in view of the concern expressed by various sectors as to further scaling down MINUGUA's field presence, has proposed that the reduction for 2002 should not affect or alter the

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territorial deployment planned for 2001 and that all mobile teams should be put into operation, given the overall situation of the peace process. The regional offices will be reinforced through redeployment of resources from headquarters and functions assigned to the field coordinator will be reassumed by the Deputy Head of the Mission (A/56/931, paras. 31 and 33). The Committee notes that the preamble of draft resolution A/56/L.42 underlines the fact that the new schedule for implementation of the substantive aspects of the peace agreements has been changed from 2000 until the end of 2004.

4. Within this background, the estimated requirements of the Secretary-General, which would arise under section 3, Political affairs, of the programme budget for the biennium 2002-2003 (A/56/6 (Sect. 3)), for the extension of the mandate of MINUGUA from 1 January to 31 December 2002 amount to $14,755,100 (A/C.5/56/26, para. 10 and annex I.A).

5. The Committee notes from paragraph 11 and annex V of the statement that, of the total appropriation of $43,233,400 approved by the General Assembly for the period from 1 January 2000 to 31 December 2001, unaudited expenditures are estimated at $39,871,600, resulting in an unencumbered balance of $3,361,800.

6. Paragraph 7 of the Secretary-General's statement indicates that the MINUGUA headquarters will be restructured around four substantive areas in 2002 (human rights; socio-economic affairs, resettlement and integration; and public security and armed forces) and that the number of police and military observers will remain the same in 2002, after the reduction during 2001 from 51 to 10 and 20 to 4, respectively.

7. The proposed staffing component, which comprises a total of 271 posts, includes 69 international (48 Professional, 17 General Service and 4 Field Service), 139 local-level staff and 63 United Nations Volunteers. A decrease of 6 professional and 3 field service positions is partially offset by an increase of 3 local-level General Service staff. Vacancy factors of 5 and 3 per cent for international and local staff, respectively, are applied in estimating staff costs. The proposed staffing by organizational unit for 2002 is contained in annex IV of the statement.

8. The estimated operational costs for MINUGUA amount to $2,432,200 for 2002, including non-recurrent costs of $246,800, as compared to the appropriated amount of $7.394,400 for the biennium 2000-2001. Reductions are shown under all objects of expenditure in view of the contraction compared to the biennium 2000-2001.

9. The Advisory Committee notes the information contained in annex III on the use of extrabudgetary resources and the Trust Fund for the Guatemala Peace Process. Total expenditure for the biennium 2000-2001, through the end of 2001, is estimated at $3,727,200 for projects indicated therein. Furthermore, it is anticipated that many of these projects will continue in 2002 and that, based on contributions already made or under negotiation, an estimated amount of $2,342,100 will be used in 2002.

10. The Advisory Committee notes that, in anticipation of the Mission's eventual withdrawal, several projects relating to the peace agenda are gradually being transferred from the Trust Fund to the inter-agency system and that a transition group is being set up to establish policy guidelines for the projects being transferred to the agencies and programmes, hence making the transfer process more coherent

(see A/56/391, paras. 39-41). The Committee welcomes this development. Moreover, the Committee was further informed that consultations, which include the Department of Political Affairs, MINUGUA, interested States and the inter-agency system, have been initiated with the objective of identifying and generating future additional resources to support the consolidation of the peace-building process, as called upon in resolution 55/177 and reiterated in draft resolution A/56/L.42. **The Advisory Committee requests the Secretary-General to report on this matter in the context of his next presentation on MINUGA.**

11. **Should the General Assembly adopt draft resolution A/56/L.42, additional requirements of $14,755,100 would arise for 2002, which would be charged against the provision of $93,691,600 (before recosting) for special political missions requested in section 3, Political affairs, of the proposed programme budget for the biennium 2002-2003.**